# CORNHUSKER SHOPPING CENTER LEASE

THIS LEASE is entered into by Lessor and Lessee effective with the Date specified in Article 1.00 (a).

ARI	TICLE 1.00 <u>Definitions</u> . In add	ition to terms defined elsewhere in this Lease, the following definitions apply:	
(a)	DATE: <u>9-10-10</u>		
(b)	LESSOR: ENTERPRISE COMPANY, INC.		
(c)	LESSEE: City County Health Department		
(d)	LOCATION: NWC of 27 <sup>TH</sup> AND CORNHUSKER HWY, LINCOLN, NEBRASKA.		
(e)	PREMISES: The Premises shown on Exhibit "A" to this Lease, known as SUITE 7-A.		
(f)	TERM: 3 years , beginning on the Commencement Date and expiring on the Expiration Date.		
(g)	COMMENCEMENT DATE: _	November 1, 2010 , unless extended pursuant to Section 3.04.	
(h)	EXPIRATION DATE: October 31, 2013, or if the Lease is extended, then on the last day of a Renewal Term.		
(i)	MONTHLY BASE RENT: (or as adjusted for in the Lease)		
\$ <u>829.94</u> PER MONTH: \$ <u>12.25</u> / sq. ft. for 813 sq. ft.			
(j)	RENTABLE AREA OF THE PREMISES: 813 square feet.		
(k)	RENTABLE AREA OF THE BUILDING: 96,000 square feet.		
(1)	LESSEE'S SHARE: <u>.85</u> % (determined by dividing the Rentable Area of the Premises by the Rentable Area of the Building.)		
(m)	SECURITY DEPOSIT: \$		
(n)	BROKER: NAI FMA Realty		
(o)	RENT: The Monthly Rent and Additional Rent.		
(p)	ADDITIONAL RENT: Any amounts which this Lease requires Lessee to pay in addition to Monthly Rent.		
(p)	BUILDING: The building(s) located on the Land and of which the Premises are a part.		
(r)	REAL ESTATE: The real estate, including all improvements appurtenant thereto, more particularly described on Exhibit B.		
(s)	SHOPPING CENTER: The retail/office project conducted as "Cornhusker Shopping Center" located on the Real Estate, including without limitation all land, the building(s), all improvements, and common areas.		
(t)	LESSOR'S ADDRESS:	Enterprise Company, Inc. c/o NAI FMA Realty 1248 "O" Street, Suite 550 Lincoln, NE 68508	
(u)	LESSEE'S ADDRESS:	City County Health Department 2662 Cornhusker Hwy Suite 7-A Lincoln, NE 68521	
(v)	USE:	Office.	

The following Exhibits are attached hereto and made part of this Lease:

Exhibit A - The Premises

Exhibit B - Legal Description of the Land

Exhibit C - Floor Plan

Exhibit D - Rules and Regulations

Exhibit E - Lessor's Improvements

Exhibit F - Intentionally Deleted

Exhibit G - Exclusive Uses

Exhibit H - Sign Policy

### **ARTICLE 2.00 AGREEMENT**

Lessor leases the Premises to Lessee, and Lessee leases the Premises from Lessor, according to all terms and conditions of this Lease. Lessor reserves the right at anytime during the term of the Lease and any extensions to relocate Lessee to other space within the Shopping Center, *provided that*,

- (a) Lessor gives Lessee at least ninety (90) days notice of such relocation;
- (b) The space does not have fewer square feet than the Premises;
- (c) The Monthly Rent will not increase;
- (d) Lessor pays Lessee's reasonable relocation costs associated with the relocation;
- (e) Lessor pays all improvement costs associated with the relocation to bring the replacement premises to the same standard as the Premises; and
- (f) Lessor finishes the replacement space prior to delivering possession to the Lessee; and
- (g) Lessor confirms to Lessee in writing, at least thirty (30) days in advance, the date that the replacement Premises will be ready for Lessee's occupancy, following which date such space shall be substituted as the Premises.

### ARTICLE 3.00 TERM, DELIVERY AND ACCEPTANCE OF PREMISES

- 3.01 <u>Term</u>. The duration of this Lease will be the Term. The Term will commence on the Commencement Date and expire on the Expiration Date. Notwithstanding the foregoing, this Lease shall terminate sooner upon written notice by Lessee to Lessor if Lessee is unable at any time in the future to obtain sufficient funding to continue operations at the Premises.
- 3.02 <u>Lessor's Improvements</u>. For the purposes of this Lease, the "Lessor's Improvements" include those items described in Exhibit "E", all of which will be constructed at Lessor's sole cost and expense prior to the Commencement Date.
- 3.03 <u>Delivery of Possession</u>. Lessor will be deemed to have delivered possession of the Premises to Lessee when Lessor has given Lessee notice that the Lessor's Improvements are substantially complete. Except for any defects occurring within one year from the Commencement Date to Lessor's Improvements, Lessee is taking the Premises in an "as is" condition, without representation or warranty of any kind by Lessor.
- 3.04 Failure to Deliver Possession. If for any reason, Lessor cannot deliver possession of the Premises

to Lessee on or before the Commencement Date as a result of any cause beyond the reasonable control of Lessor, then:

- (a) this Lease will not commence, but will not be void or voidable;
- (b) Lessor will not be liable to Lessee for any resultant loss or damage; and
- (c) the original date specified for the Commencement Date will be extended automatically one day for each day of delay, but in no event more than thirty (30) days, or this Lease will be deemed terminated. If not terminated and the Commencement Date begins on a day other than the first of a calendar month, the Monthly Rent shall be prorated for the initial partial month, the Term shall begin on the first of the subsequent month and the Expiration Date shall be extended accordingly so that the full length of the initial Term is in effect.
- 3.05 <u>Early Entry</u>. If Lessee is permitted entry to the Premises prior to the Commencement Date, such early entry will be at Lessee's sole risk and subject to all the terms and provisions of this Lease as though the Commencement Date had occurred, except for the payment of Monthly Rent. All rights of Lessee will be subject to the requirements of all applicable building codes and zoning requirements. Lessor has the right to require that Lessee execute an early entry agreement containing any such further conditions as Lessor deems appropriate prior to Lessee's early entry.
- 3.06 Condition of the Premises. Prior to the Commencement Date, Lessee will conduct a walk-through inspection of the Premises with Lessor and prepare a punch-list of items needing additional work by Lessor. Other than the items specified in the punch-list, by taking possession of the Premises Lessee will be deemed to have accepted the Premises in their condition on the date of delivery of possession. The punch-list will not include any damage to the Premises caused by Lessee's move-in or early access, if permitted. Lessee acknowledges that neither Lessor, its agents nor its employees have made any representations or warranties as to the suitability or fitness of the Premises for the conduct of Lessee's business or for any other purpose except as provided for in this Lease, nor has Lessor or its agents or employees agreed to undertake any alterations or construct any tenant improvements to the Premises except as expressly provided in this Lease. Lessor's contractor will complete all punch-list items within thirty (30) days after the walk-through. Except as expressly provided otherwise in this Lease, Lessee accepts the Premises in an "as is" condition without representation or warranty of any kind by Lessor.
- 3.07 <u>Lease Termination</u>. If sufficient appropriated funds are not available to the Tenant Agency for the purpose of paying necessary operating expenses of the Tenant Agency including rentals on the Demised Premises, then this Lease shall terminate at the election in writing by Tenant. If any Governor's budget message is such that it does not include sufficient appropriated funds to pay necessary operating expenses of the Tenant Agency including rentals hereunder, notice of such fact shall be given promptly to Landlord, and if at any time it appears that appropriated funds will be depleted in the future, or such funds are not sufficient to pay necessary operating expenses of Tenant Agency including rental hereunder, notice of such fact and the estimated date of depletion shall be given promptly to Landlord. If only a portion for the funds sufficient to pay the necessary operating expenses of the Tenant Agency including rentals hereunder are appropriated, the Lease may be kept in force with a prorata share of the space and corresponding rental decreased. Any such reduction shall be agreed upon by Landlord, Tenant and Tenant Agency.

### **ARTICLE 4.00 RENT**

- 4.01 <u>Monthly Rent</u>. Throughout the Term of this Lease, Lessee will pay Monthly Rent to Lessor for its lease of the Premises. Monthly Rent will be paid in advance on or before the first day of each calendar month of the Term. If the Term commences on a day other than the first day of a calendar month, then Monthly Rent will be appropriately prorated by Lessor for such month. Monthly Rent will be paid to Lessor, without notice or demand, and without deduction or offset, in lawful money of the United States of America at Lessor's address, or to such other person or at such other place as Lessor may from time to time designate in writing.
- 4.02 <u>Additional Rent</u>. Throughout the Term of this Lease, Lessee will also pay Additional Rent to Lessor. Additional Rent consists of Lessee's Share of Operating Expenses as described in Article 5 and any other charges required to be paid by Lessee to Lessor by this Lease.
- 4.03 <u>Late Payment</u>. Any payment of Rent, including Monthly Rent, which is not received within ten (10) days after it is due will be subject to a late charge equal to five percent (5%) of the unpaid payment. This amount is in compensation of Lessor's additional cost to process late payments. The amount of delinquent Rent will also accrue interest at the rate of eighteen percent (18%) per annum from the date due until paid.

### ARTICLE 5.00 UTILITIES AND OPERATING EXPENSES

- 5.01 <u>Utilities</u>. Lessor shall be responsible for delivery of all utility services to the Building and, until the Commencement Date, those utilities required to serve the Premises. Lessee shall pay all utility charges attributable to the Premises through the Lease Term. No interruption of utility services by reason of causes beyond the reasonable control of the Lessor shall be an eviction or disturbance of Lessee's use and occupancy of the Premises, nor render the Lessor liable for damages. Lessee shall also pay Lessee's Share of any water charges which are billed to the Lessor and not separately metered for the Premises.
- 5.02 Operating Expenses. In addition to Monthly Rent, Lessee will pay Lessee's Share of the Operating Expenses paid by Lessor in each calendar year or partial calendar year during the Term. If Operating Expenses are calculated for partial calendar year, the Operating Expenses will be appropriately prorated. As used in this Lease, the term Operating Expenses means:
  - (a) all costs of management, operation, and maintenance of the Shopping Center (including the "Common Areas", described below), including without limitation wages, salaries, and other compensation of employees hired to perform maintenance or repair; maintenance; repairs; snow removal; pollution control; roof repairs; line repainting; resurfacing of parking lot asphalt or concrete; landscaping; fire protection; traffic direction signage; accounting; janitorial; security services; electricity, gas, water, waste disposal and other utilities not reimbursed by any tenant; materials and supplies; management fees; and any other costs, charges, and expenses which under generally accepted accounting principles would be regarded as maintenance, repair, or operating expenses;

- (b) all premiums paid by Lessor for the insurance maintained by Lessor as described in this Lease;
- (c) all real and personal property taxes and special assessments (and any tax levied in whole or in part in lieu of or in addition to real property taxes); excise taxes imposed for payment of any Rent; any other taxes or assessments of any kind imposed on the Shopping Center; and all reasonable fees and costs incurred by Lessor with respect to the challenge of any of the foregoing taxes or assessments; and
- (d) the cost (amortized over such period as Lessor reasonably determines) together with interest, on the unamortized balance of any capital improvements made to the Shopping Center by Lessor: (i) for the purpose of reducing future Operating Expenses, or (ii) after the Commencement Date and which are required under any governmental law or regulation that was not applicable to the Shopping Center at the time it was constructed and which are not a result of Lessee's use of the Premises.

Operating Expenses will not include: (1) depreciation on the Shopping Center (other than depreciation on personal property, equipment, window coverings on exterior windows provided by Lessor); (2) costs of improvements made for other tenants of the Shopping Center; (3) finders fees and real estate brokers' commissions; (4) mortgage principal or interest; and (5) capital items other than those referred to in clause (d) above. Operating Expenses shall also not include any payments made with respect to any ground lease, except as such payments constitute reimbursement for real estate taxes actually levied during the term hereof. Lessee acknowledges that Lessor has not made any assurances of Lessee's Share of Operating Expenses for any calendar year during the Term.

5.03 Estimated Payments. In addition to Monthly Rent, Lessee will pay to Lessor on the first day of each month during the Term one-twelfth (1/12) of Lessor's estimate of the amounts payable by Lessee pursuant to Sections 5.01 and 5.02 during the subject calendar year or partial calendar year (the "Estimated Operating Expenses"). If at any time or times it reasonably appears to Lessor that the amount payable under Sections 5.01 or 5.02 for the current calendar year will vary from the Estimated Operating Expenses, Lessor may, by written notice to Lessee, revise the Estimated Operating Expenses for such year, and subsequent payments by Lessee for such year will be based upon Lessor's reasonably revised estimate. At the time Lessor provides the Annual Settlement to Lessee, as more fully described in Section 5.04, Lessor will give Lessee written notice of its Estimated Operating Expenses for the subsequent calendar year. Lessee will pay to Lessor, one-twelfth (1/12) of Lessor's estimated amounts payable until further notice or the next Annual Settlement.

5.04 <u>Annual Settlement</u>. Within one hundred twenty days (120) after the end of each calendar year or as soon as practicable, Lessor will deliver to Lessee a statement of reconciliation under Sections 5.01 and 5.02 for such calendar year prepared and certified by Lessor. If such statement shows an amount owing by Lessee that is less than the estimated payments previously made by Lessee for such calendar year, the excess will be held by Lessor and credited against the next payment of Rent; however, if the Term has ended and Lessee was not in default at its end, Lessor will refund the excess to Lessee. If such statement shows an amount owing by Lessee that is more than the estimated payments previously made by Lessee for such calendar year, Lessee will pay the deficiency to Lessor within thirty (30) days after the mailing of such statement. Lessee may review Lessor's records of the Operating Expenses, at Lessee's sole cost

and expense, during Lessor's normal business hours, with a 14 day written notice. Lessee will be allowed only a one time audit for the year requested.

- 5.05 Other Impositions. Lessee will pay promptly when due all personal property taxes on Lessee's personal property and fixtures in the Premises and any other taxes payable by Lessee, the non-payment of which might give rise to a lien on the Premises or Lessee's interest in the Premises.
- 5.06 <u>Set Off.</u> Amounts payable by Lessee according to this Article will be payable as Rent, without deduction or offset.

### ARTICLE 6.00 INSURANCE

- 6.01 <u>Lessor's Insurance</u>. At all times during the Term, Lessor may carry and maintain the following insurance coverage's in amounts and with such coverage limitations and endorsements, determined appropriate by Lessor:
  - (a) fire and extended coverage insurance covering the Shopping Center (including Lessor's Improvements), its equipment and common area furnishings;
  - (b) bodily injury and property damage insurance;
  - (c) flood insurance;
  - (d) earthquake insurance;
  - (c) rent interruption insurance; and
  - (d) additional liability insurance.
- 6.02 <u>Additional Coverage</u>. If Lessor believes that any of such insurance coverage pursuant to this Article is inadequate, Lessor will obtain such additional insurance coverage as Lessor deems adequate.
- 6.03 <u>Lessee's Insurance</u>. At all times during the Term, Lessee will carry and maintain, at Lessee's expense, Commercial General Liability insurance protecting Lessor and naming Lessor as an additional insured. Lessee shall have the right to self insure up to a maximum of \$250,000 and shall provide additional umbrella liability insurance in an amount of not less than \$6,000,000 combined for bodily injury and property damage liability. All insurance will be on a Commercial General Liability form including, without limitation, personal injury and contractual liability coverage for the performance by Lessee of the indemnity agreements set forth in this Lease.
- 6.04 Forms of the Policies. Certificates of insurance together with copies of the endorsements naming Lessor as an additional insured will be delivered to Lessor prior to Lessee's occupancy of the Premises and from time to time upon request of Lessor. All such policies maintained by Lessee will provide that they may not be terminated nor may coverage be reduced except after thirty (30) days' prior written notice to Lessor. All Commercial General Liability and other property policies maintained by Lessee will be written as primary policies, not contributing with and not supplemental to the coverage that

Lessor may carry. Commercial General Liability insurance required to be maintained by Lessee by this Article will not be subject to a deductible. All insurance will be issued by companies licensed to do business in Nebraska, with an A.M. Best Company rating acceptable to Lessor.

- 6.05 <u>Waiver of Subrogation</u>. Lessor and Lessee each waive any and all rights to recover against the other or against any other tenant or occupant of the Shopping Center for any loss or damage to such waiving party arising from any cause covered by any insurance to the extent of the proceeds received by such party pursuant to this Article or any other insurance actually carried by such party to the extent of the proceeds recoverable from such policy. Lessor and Lessee, from time to time, will cause their respective insurers to issue appropriate waiver of subrogation rights endorsements to all property insurance policies carried in connection with the Shopping Center or the Premises, or the contents of the Shopping Center or the Premises.
- 6.06 <u>Adequacy of Coverage</u>. If Lessee believes that any of such insurance coverage pursuant to this Article is inadequate, Lessee will obtain such additional insurance coverage as Lessee deems adequate, at Lessee's sole expense.
- 6.07 <u>Lessee As Additional Insured</u>. Lessor agrees to provide Lessee with a certificate of insurance affirming that Lessee is named as an additional insured with respect to any general liability insurance maintained by Lessor as provided for in Section 6.01.

### ARTICLE 7.00 USE AND SIGNAGE

- 7.01 <u>Use.</u> The Premises will be used those purposes set out in Article 1 only. Lessee will not: (i) permit to be done in or about the Premises, anything which is prohibited by or will in any way conflict with any law, statute, ordinance or governmental rule or regulation which is now in force or which may be enacted or promulgated after the Date; (ii) do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants of the Building or Shopping Center, or injure or annoy them; (iii) use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose; (iv) cause, maintain or permit any nuisance in, or about the Premises or commit or allow to be committed any waste in, on or about the Premises, or (v) engage in the sale of any item or performance of any service prohibited as a result of any Exclusive Uses granted other tenants in the Shopping Center as set forth in Exhibit G. Lessor warrants and represents to Lessee that there are no zoning restrictions or covenants restricting the use of the Premises for the purposes permitted hereunder.
- 7.02 <u>Signage</u>. Lessor's Sign Policy for the Building in conjunction with the Premises is attached in Exhibit H and is incorporated herein by reference. Within the Policy, Lessee's sign package shall be submitted to Lessor for approval in advance of any installation on the Premise's exterior or on the interior surface of any windows. Lessee shall not display any pennants, searchlights, window signs, or similar temporary advertising media visible from the Premise's exterior. All signs shall be deemed Lessee's trade fixtures, installed at its expense, and be subject to compliance with all codes and regulations of any kind. At least ninety (90) days prior to the termination of the Lease, Lessor shall have the right to place on the Premise's window a "For Lease" sign.

# ARTICLE 8.00 REQUIREMENTS OF LAW; INSURANCE RISKS

- 8.01 <u>General</u>. At its sole cost and expense, Lessee will promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or in force after the Commencement Date, with the requirements of any board of fire underwriters or other similar body constituted now or after the Commencement Date, with any directive or occupancy certificate issued pursuant to any law by any public officer or officers, as well as the provisions of all recorded documents affecting the Premises, insofar as they relate to the condition, use or occupancy of the Premises, excluding requirements of structural changes or changes outside the Premises unless related exclusively to (a) Lessee's acts, (b) Lessee's business, (c) Lessee's use of the Premises, or (d) improvements made by or for Lessee.
- Hazardous Materials. Lessee shall not cause or permit any Hazardous Materials (as hereinafter defined) to be brought upon, stored, used, generated, released into the environment, or disposed of on. in, under, or about the Premises, without the prior written consent of Lessor, which consent may be withheld in Lessor's reasonable discretion. Lessee shall comply with all local, state or federal rules, regulations or statutes concerning use, storage and disposal of any hazardous Materials brought onto. used, or stored on the Premises following consent. Upon the expiration or sooner termination of this Lease, Lessee covenants to remove from the Premises, at its sole cost and expense, any and all Hazardous Materials brought upon, stored, used, generated, or released into the environment during the term of this Lease and still located on the Premises, by Lessee or Lessee's agents, employees, subtenants, assignees, contractors or invitees. To the fullest extent permitted by law, each party hereto hereby agrees to indemnify, defend, protect, and hold harmless Lessor and the other party and its agents, and respective successors and permitted assigns, from any and all claims, judgments, damages, penalties, fines, costs, liabilities, and losses (including, without limitation, loss, or restriction on use of rentable space or of any amenity of the Premises and sums paid in settlement of claims, attorneys' fees, consultant fees, and expert fees) incurred by or assessed against the indemnified party that arise during or after the term hereof directly or indirectly from the presence of Hazardous Materials on, in, or about the Premises which is or was caused or permitted by such indemnifying party or its agents, employees. invitees or contractors during the term hereof. As used in this Lease, the term "Hazardous Materials" shall include any hazardous or toxic materials, substances, or wastes including (a) any materials, substances, or wastes that are toxic, ignitable, corrosive, or reactive and that are regulated by any local governmental authority, any agency of the State of Nebraska, or any agency of the United States Government, (b) petroleum and petroleum-based products, (c) urea formaldehyde foam insulation, (d) polychlorinated biphenyls (PCBs"), (e) freon and other chlorofluorocarbons and (f) asbestos and asbestos-containing materials.
- 8.03 <u>Certain Insurance Risks</u>. Lessee will not do or permit to be done any act or thing upon the Premises or the Shopping Center which would (a) jeopardize or be in conflict with fire insurance policies covering the Shopping Center, and fixtures and property in the Shopping Center, or (b) increase the rate of fire insurance applicable to the Shopping Center to an amount higher that it otherwise would be for general office use of the Shopping Center, or (c) subject Lessor to any liability or responsibility for injury to any person or persons or to property by reason of any business or operation being carried on upon the Premises.

### ARTICLE 9.00 ASSIGNMENT AND SUBLETTING

9.01 General. Lessee covenants that it will not assign, mortgage or encumber this Lease, nor sublease,

or permit the Premises or any part of the Premises to be used or occupied by others, without the prior written consent of Lessor in each instance. Any assignment or sublease in violation of this Article will be void. If this Lease is assigned, or if the Premises or any part of the Premises are subleased or occupied by anyone other than Lessee, Lessor may in its sole discretion, after default by Lessee, collect rent from the assignee, subtenant or occupant, and apply the net amount collected to Rent. No assignment, sublease, occupancy or collection will be deemed a waiver of the provisions of this Section 9.01, the acceptance of assignee, subtenant or occupant as tenant, or a release of Lessee from the further performance by Lessee of covenants on the part of Lessee contained in this Lease.

- 9.02 <u>Submission of Information</u>. If Lessee requests Lessor's consent to a specific assignment or subletting, Lessee will submit in writing to Lessor (a) the name and address of the proposed assignee or subtenant, (b) a counterpart of the proposed agreement of assignment or sublease, (c) reasonably satisfactory information as to the nature and character of the business of the proposed assignee or subtenant, and as to the nature of its proposed use of the space, and (d) banking, financial or other credit information reasonably sufficient to enable Lessor to determine the financial responsibility and character of the proposed assignee or subtenant.
- 9.03 <u>Consent Cannot Be Unreasonably Withheld</u>. Lessor will not unreasonably withhold or delay its consent to Lessee's request for consent to such specific assignment or sublease if the conditions in Section 9.02 and all of the following conditions are satisfied:
  - (a) The proposed transferee has the financial strength and stability to perform all obligations under this Lease to be performed by Lessee as and when they fall due.
  - (b) The proposed transferee will make use of the Premises which: (i) is lawful, (ii) is consistent with the permitted use of the Premises under this Lease, (iii) is consistent with the general character of business carried on by tenants of a first class shopping center, (iv) does not conflict with any Exclusive Uses, or covenants not to compete in favor of any other tenant in the Shopping Center, (v) will not increase the likelihood of damage or destruction, (vi) will not increase the rate of wear and tear to the Premises, Building common facilities, or Shopping Center, (vii) will not likely cause an increase in insurance premiums for insurance policies applicable to the Shopping Center, (viii) will not require new tenant improvements incompatible with then existing Building or Shopping Center systems and components, and (ix) will not cause increased use of parking spaces.
  - (c) Lessee pays Lessor's reasonable attorneys' fees and costs incurred in connection with negotiation, review and processing of the transfer, plus a processing fee not to exceed \$350.00 for each such request.
  - (d) At the time of the proposed transfer there is no Event of Default under this Lease.
- 9.04 Form of Assignment or Sublease. Lessor will give Lessee the form of the consent to assignment or sublease which is acceptable to Lessor and will provide among other things that Lessee will remain liable under this Lease. Any sublease will provide among other things that the subtenant will comply with all applicable terms and conditions of this Lease, and in the case of an assignment and assumption by the assignee of all of the terms, covenants and conditions which this Lease requires Lessee to perform.

9.05 <u>Consent of Mortgagee</u>. Any transfer for which consent is required of any party having a mortgage, deed of trust or other encumbrance on, or of any landlord under any ground or underlying lease of all or any part of the Shopping Center shall not be effective unless and until such consent is given. Any such consent shall not be unreasonably withheld, and shall not require any conditions more restrictive or burdensome on Lessee than those set forth herein.

### ARTICLE 10.00 RULES AND REGULATIONS

Lessee and its employees, agents, and visitors will at all times observe faithfully, and comply strictly with, the Rules and Regulations set forth on Exhibit D. Lessor may from time to time reasonably amend, delete or modify existing Rules and Regulations, or adopt reasonable new Rules and Regulations for the use, safety, cleanliness and care of the Premises, the Building, and the Shopping Center, and the comfort, quiet and convenience of occupants of the Shopping Center. Lessor will not be liable to Lessee for violation of such Rules and Regulations by any other tenant, its employees, agents, visitors or any other person. In the event of any conflict between the provisions of this Lease and the Rules and Regulations, the provisions of this Lease will govern.

### ARTICLE 11.00 COMMON AREAS

As used in the Lease, the term "Common Areas" means, without limitation, the parking lot, hallways, entryways, stairs, elevators, driveways, walkways, docks, loading areas, trash facilities and all other areas and facilities in the Shopping Center which are provided and designated from time to time by Lessor for the general, non-exclusive use and convenience of Lessee and other tenants of the Shopping Center. Without advance written notice to Lessee (except with respect to matters covered by subsection (a) below) and without any liability to Lessee in any respect, Lessor will have the right to:

- (a) establish and enforce reasonable rules and regulations concerning the maintenance, management, use and operation of the Common Areas;
- (b) close off any of the Common Areas to whatever extent required in the opinion of Lessor to prevent a dedication of any of the Common Areas or the accrual of any rights by any person or the public to the Common Areas, provided such closure does not deprive Lessee of the substantial benefit and enjoyment of the Premises;
- (c) temporarily close any of the Common Areas for maintenance, alteration or improvement;
- (d) select, appoint or contract with any person for the purpose of operating and maintaining the Common Areas, on such terms and conditions as reasonably determined on an arms length basis; and
- (e) change the size, use, shape or nature of any such Common Areas, other than the parking lot and the sidewalks serving the Building, provided such change does not deprive Lessee of the substantial benefit and enjoyment of the Premises.

### ARTICLE 12.00 LESSOR'S MAINTENANCE RESPONSIBILITIES

12.01 <u>Lessor's Repair and Maintenance</u>. Lessor shall repair and maintain in good order and condition the Common Areas of the Shopping Center and the roof, floor slab, foundation, and exterior and interior load bearing walls comprising the Premises. Notwithstanding the foregoing sentence, Lessee shall pay for any repairs and maintenance or replacement made necessary by any negligence or carelessness of Lessee or its employees, staff, agents or persons permitted on the Building or in the Premises by Lessee.

Lessor shall be responsible for the maintenance and repair of any heating, cooling and ventilating systems ("HVAC") for the benefit of the Premises, including semi-annual inspections and routine maintenance of the HVAC unit(s) serving the Premises. The costs of the foregoing services shall be invoiced to Lessee when incurred and payable to Lessor as Additional Rent. Should the HVAC unit providing heating and/or cooling to the Premises need replacement during the Term of the Lease, an estimated useful life of the new unit shall be provided by the professional installer of the unit to the Lessor. The Lessee shall be responsible for its fractional share of the installed cost of the replacement unit with the numerator of the fraction representing the number of months left in the Term of the Lease and the denominator representing the number of months of the estimated useful life of the new unit, as described above.

12.02 <u>Limitation on Liability</u>. Lessor will not be liable to Lessee or any other person for direct or consequential damage, or for any failure to supply any heat, air conditioning, elevator, cleaning, lighting, security, surges or interruptions of electricity.

12.03 <u>Discontinuance of Services</u>. Lessor reserves the right to temporarily discontinue any utility services at such times as may be necessary by reason of accident, repairs, alterations or improvements, strikes, lockouts, riots, acts of God, governmental preemption in connection with a national or local emergency, any rule, order or regulation of any governmental agency, conditions of supply and demand which make any product unavailable, Lessor's compliance with any mandatory governmental energy conservation or environmental protection program, or any voluntary governmental energy conservation program at the request of or with consent or acquiescence of Lessee, or any other happening beyond the control of Lessor. Lessor will not be liable for damages to person or property or for injury to, or interruption of, business for any discontinuance, nor will such discontinuance in any way be construed as an eviction of Lessee, or cause an abatement of Rent, or operate to release Lessee from any of Lessee's obligations under this Lease.

### ARTICLE 13.00 LESSEE'S MAINTENANCE RESPONSIBILITIES

13.01 <u>Interior</u>. Lessee shall repair and maintain in good order and condition all interior portions of the Premises and the fixtures and equipment serving the Premises, such as walls, ceiling, electrical panel and wiring, lighting, plumbing, all glass (including plate glass), window frames, sprinkler system, exterior doors, and automatic door operators, if any, to the Premises.

13.02 <u>Exterior</u>. Lessee shall repair and maintain in good order and condition all exterior portions of the Premises, if any, which serve as a dock loading, trash receptacle, or other similar area which serves only the Premises.

13.03 <u>Notice of Damage</u>. Lessee will immediately advise Lessor of any damage to the Premises. All damage to the Premises or to the fixtures and equipment serving the Shopping Center caused by Lessee, its agents, employees or invitees, may be repaired, restored or replaced by Lessor at the expense of Lessee and will be collectible as Additional Rent to be paid by Lessee within ten (10) days after mailing of a statement by Lessor for such expense.

### **ARTICLE 14.00 ALTERATIONS**

14.01 <u>General</u>. During the Term, Lessee will not make or allow to be made any alterations, additions or improvements to or upon the Premises or any part of the Premises, or attach any fixtures or equipment to the Premises, without first obtaining Lessor's written consent. All such alterations, additions and improvements consented to by Lessor, and capital improvements which are required to be made to the Shopping Center as a result of the nature of Lessee's use of the Premises

- (a) will be performed by contractors and subject to conditions specified by Lessor; and
- (b) at Lessor's option, will be made by Lessor for Lessee's account, and Lessee will reimburse Lessor for their cost (including an amount not to exceed ten percent (10)%) for a contractor's overhead and profit) within ten (10) days after receipt of a statement of such costs. Subject to Lessee's rights in Article 16.00, all alterations, additions, fixtures and improvements, whether temporary or permanent in character, made in or upon the Premises either by Lessee or Lessor, will immediately become Lessor's property and, at the end of the Term will remain on the Premises without compensation to Lessee.

14.02 Other Charges. Lessee acknowledges that any alterations, additions and improvements to the Premises may affect the heating, cooling, power, lighting and other systems in the Shopping Center and any increased cost attributable to such changes will be payable by Lessee.

### **ARTICLE 15.00 CONSTRUCTION LIENS**

Lessee will pay or cause to be paid all costs and charges for work done by Lessee or caused to be done by Lessee, in or to the Premises, and for all materials furnished for or in connection with such work. Except for any work performed by Lessor or its contractors, Lessee will indemnify Lessor against and hold Lessor, the Premises and the Shopping Center free, clear and harmless of and from all construction liens and claims of liens, and all other liabilities, liens, claims and demands on account of such work by or on behalf of Lessee. Nothing contained in this Lease will be deemed the consent or agreement of Lessor to subject Lessor's interest in the Shopping Center to liability under any mechanics', construction or other lien law. If Lessee receives notice that a lien has been or is about to be filed against the Premises or the Shopping Center or any action affecting title to the Shopping Center has been commenced on account of work done by or for or materials furnished to or for Lessee, it will immediately give Lessor written notice of such notice.

### ARTICLE 16.00 CONDITIONS AT END OF TERM

On the Expiration Date, Lessee will promptly quit and surrender the Premises in good order and repair, ordinary wear and tear excepted. If Lessee is not then in default, Lessee may remove prior to the Expiration Date from the Premises any trade fixtures, equipment and movable furniture placed in the Premises by Lessee, whether or not such trade fixtures or equipment are fastened to the Building. Lessee will not remove any trade fixtures or equipment without Lessor's prior written consent if removal will result in impairing the structural strength of the Building. Lessee will fully repair any damage occasioned by said removal. Anything left on the Premises after the end of the Term will be deemed conclusively to have been abandoned and may be appropriated, sold, stored, destroyed or otherwise disposed of by Lessor without notice to Lessee or any other person and without obligation to account for them; and Lessee will pay Lessor for all expenses incurred in connection with the removal of such property, including, but not limited to, the cost of repairing any damage to the Building or Premises caused by the removal of such property. Lessee's obligation to observe and perform this covenant will survive the expiration or other termination of this Lease.

### **ARTICLE 17.00 EMINENT DOMAIN**

If all of the Premises are taken by exercise of the power of eminent domain (or conveyed by Lessor in lieu of such exercise) this Lease will terminate on a date (the "termination date"), which is the earlier of the date upon which the condemning authority takes possession of the Premises, or the date on which title to the Premises is vested in the condemning authority.

### ARTICLE 18.00 DAMAGE AND DESTRUCTION

If the Premises or the Building are damaged by fire or other insured casualty, Lessor will give Lessee notice of the time which will be needed to repair such damage, as determined by Lessor in its sole discretion, and the election (if any) which Lessor has made according to this Article. Such notice will be given before the thirtieth (30th) day (the "notice date") after the fire or other insured casualty.

- (a) If the Premises or the Building are damaged by fire or other casualty to an extent which may be repaired within one hundred twenty (120) days after the fire or other casualty, Lessor will repair the damage and diligently pursue the completion of such repair. In that event this Lease will continue in full force and effect except that Monthly Rent will be abated on a pro rata basis from the date of the fire or other insured casualty until the date of the completion of such repairs (the "Repair Period") based on the Rentable Area of the portion of the Premises the use of which Lessee is deprived during the repair period.
- (b) If the Premises or the Building are damaged by fire or other casualty to an extent which may not be repaired within one hundred twenty (120) days after the fire or other casualty, then (i) Lessor may cancel this Lease as of the date of such damage by written notice given to Lessee on or before the notice date, or (ii) Lessee may cancel this Lease effective with the date of such damage by written notice given to Lessor within ten (10) days after Lessor's delivery of a notice that the repairs cannot be made within such one hundred twenty (120) day period. If neither Lessor nor Lessee so elects to cancel this Lease, Lessor will repair the Building and Premises,

### ARTICLE 20.00 ENTRY BY LESSOR

Lessor, its agents, employees and contractors may enter the Premises at any time in response to an emergency, and at reasonable hours after notice to Lessee, to:

- (a) inspect the Premises;
- (b) exhibit the same to prospective purchasers, lenders or tenants;
- (c) determine whether Lessee is complying with all its obligations in this Lease;
- (d) make repairs required of Lessor under the terms of this Lease or repairs to any adjoining space or utility services or make repairs, alterations or improvements to any other portion of the Building; however, all such work will be done as promptly as reasonably possible and so as to cause as little interference to Lessee as reasonably possible.

Lessee waives any claim against Lessor, its agents, employees or contractors for damages for any injury or inconvenience to or interference with Lessee's business, any loss of occupancy or quiet enjoyment of the Premises or any other loss occasioned by such entry. Lessee acknowledges that upon the Commencment Date, Lessor will not have keys to the Premises and Lessee shall be responsible for the cost and expense of maintaining all doors, locks and key supplies. Nevertheless, Lessor will have the right to use any and all means which Lessor may deem proper to open doors in and to the Premises in an emergency in order to obtain entry to the Premises. Any entry to the Premises obtained by Lessor by any means permitted under this Article will not under any circumstances be construed or deemed to be a forcible or unlawful entry into or a detainer of the Premises or an eviction, actual or constructive, of Lessee from the Premises, or any portion of the Premises, nor will any such entry entitle Lessee to damages or an abatement of Monthly Rent, Additional Rent, or other charges which this Lease requires Lessee to pay. The foregoing shall not apply with respect to any injury or damage to persons or property on the Premises which is proximately caused by or results proximately from the negligence or deliberate act of Lessor or its employees.

### ARTICLE 21.00 INDEMNIFICATION, WAIVER AND RELEASE

21.01 <u>Indemnification</u>. Lessor and Lessee agree to indemnify and defend each other against and to hold each other harmless from any and all claims or demands of any third party arising from or based upon any alleged act, omission or negligence of the indemnifying Party or its contractors, concessionaires, licensees, agents, invitees, employees or any one else for whom the indemnifying Party may be or alleged to be responsible. In the event that either Party shall without fault on its part be made a party to any litigation commenced by any third Party against the other Party, then such other Party shall protect and hold the Party harmless from and with respect to such litigation, and shall pay all costs, expenses and attorneys' fees incurred or paid by the Party without fault in connection with such litigation, together with any judgments rendered against the Party without fault.

21.02 Waiver and Release. Except for any damage or injury to person or property on the Premises

including the Lessor's Improvements and Lessee Improvements, and Monthly Rent will be abated on a pro rata basis during the Repair Period based on the Rentable Area of the portion of the Premises the use of which Lessee is deprived during the Repair Period.

(c) If the proceeds of insurance are insufficient to pay for the repair of any damage to the Premises or the Building, then Lessee shall be paid the amortized costs (determined on a straight line basis over the original term only) for the amount of Lessee Improvements paid for by Lessee and Lessor will have the option to repair such damage or cancel this Lease as of the date of such casualty by written notice to Lessee on or before thirty (30) days following the fire or other casualty.

### ARTICLE 19.00 SUBORDINATION.

19.01 General. This Lease and Lessee's right under this Lease are subject and subordinate to any ground lease, first mortgage, first deed of trust or other first lien encumbrance, together with any renewals, extensions modifications, consolidations and replacements of such first lien encumbrance, now or after the Date; provided however, that any such ground lease, first mortgage, first deed of trust or other first lien encumbrance shall provide that the secured party, in the event of its acquiring title to the Premises or the Shopping Center, whether through foreclosure, judicial process or otherwise, shall recognize the validity of this Lease and shall honor the rights of Lessee hereunder so long as Lessee (i) is not in default under this Lease at the time such secured party acquired title to the Premises or the Shopping Center, and (ii) agrees to attorn to such party as provide for in Section 19.02 hereof. This provision will be self-operative and no further instrument of subordination will be required in order to effect it. Nevertheless, Lessee will execute, acknowledge and deliver to Lessor, at any time, upon demand by Lessor, such documents as may be requested by Lessor to confirm or effect any such subordination. If Lessee fails or refuses to execute, acknowledge and deliver any such document within twenty (20) days after written demand, Lessor, its successors and assigns will be entitled to execute, acknowledge and deliver any and all such documents for and on behalf of Lessee as attorney-in-fact for Lessee. Lessee by this Section 19.01 constitutes and irrevocably appoints Lessor, its successors and assigns as Lessee's attorney-in-fact to execute, acknowledge and deliver any and all documents described in this Section 19.01 for and on behalf of Lessee, as provided in this Section 19.01.

19.02 Attornment. Lessee agrees that in the event that any holder of any ground lease, mortgage, deed of trust or other encumbrance succeeds to Lessor's interest in the Premises, Lessee will pay to such holder all rents subsequently payable under this Lease. Further, Lessee agrees that in the event of the enforcement by a trustee or a beneficiary of the remedies provided for by law or by such mortgage, deed of trust, or ground lease, Lessee will, upon request, automatically become Lessee of and attorn to such successor in interest without change in the terms or provisions of this Lease. Upon request by such successor in interest and without cost to Lessor or such successor in interest, Lessee will execute, acknowledge and deliver an instrument or instruments confirming the attornment. If Lessee fails or refuses to execute, acknowledge and deliver any such document within twenty (20) days after written demand, such successor in interest will be entitled to execute, acknowledge and deliver any and all such documents for and on behalf of Lessee as attorney-in-fact for Lessee, Lessee by this Section 19.02 constitutes and irrevocably appoints such successor in interest as Lessee's attorney-in-fact to execute, acknowledge and deliver any and all documents described in this Section 19.02 for and on behalf of Lessee, as provided in this Section 19.02.

which is proximately caused by or results proximately from the negligent or deliberate act of Lessor, its employees or agents, Lessee covenants and agrees that Lessor, its employees or agents will not at any time or to any extent whatsoever be liable, responsible or in any way accountable for any loss, injury, death or damage (including consequential damages) to persons, property or Lessee's business occasioned by any acts or omissions of any other tenant, occupant or visitor of the Shopping Center, or from any cause, either ordinary or extraordinary, beyond Lessor's control.

21.03 <u>Nonwaiver of Immunity</u>. Notwithstanding anything otherwise provided for in this Lease, Lessee does not waive its governmental immunity and specifically retains all immunities and defenses provided by law.

### ARTICLE 22.00 SECURITY DEPOSIT

Lessee has deposited the Security Deposit with Lessor as security for the full, faithful and timely performance of every provision of this Lease to be performed by Lessee. If Lessee defaults with respect to any provision of this Lease, Lessor may use, apply or retain all or any part of the Security Deposit for the payment of any Rent, or any other sums in default, or for the payment of any other amount which Lessor may spend or become obligated to spend by reason of Lessee's default, or to compensate Lessor for any other loss or damage which Lessor may suffer by reason of Lessee's default. If any portion of the Security Deposit is so used Lessee will, within five (5) days after written demand, deposit cash with Lessor in an amount sufficient to restore the Security Deposit to its original amount. Lessor will not be required to keep the Security Deposit separate from its general funds and Lessee will not be entitled to interest on the Security Deposit. The Security Deposit will not be deemed a limitation on Lessor's damages or a payment of liquidated damages or a payment of the Monthly Rent due for the last month of the Term. If Lessee is not in default of any terms and conditions of the Lease upon the Expiration Date, then the Security Deposit or any balance of the Security Deposit will be returned to Lessee within thirty (30) days after the expiration of the Term. Lessor may deliver the funds deposited under this Lease by Lessee to the purchaser of the Building in the event the Building is sold, and after such time. Lessor will have no further liability to Lessee with respect to the Security Deposit.

### ARTICLE 23.00 QUIET ENJOYMENT

Lessor covenants and agrees with Lessee that so long as Lessee pays the Rent, and observes and performs all the terms, covenants and conditions of this Lease, Lessee may peaceably and quietly enjoy the Premises subject, nevertheless, to the terms and conditions of this Lease and to all rights-of-way, easements, covenants, restrictions and other matters of record affecting the Shopping Center as of the Date of this Lease and disclosed to Lessee, and Lessee's possession will not be disturbed by anyone claiming by, through or under Lessor, subject to the Permitted Exceptions.

### ARTICLE 24.00 EFFECT OF SALE

A sale, conveyance or assignment of the Building or the Shopping Center will operate to release Lessor from liability from and after the effective date of such sale, conveyance or assignment upon all of the covenants, terms and conditions of this Lease, express or implied, except those liabilities which arose

prior to such effective date. After the effective date of such sale, conveyance or assignment, Lessee will attorn to Lessor's successor in interest to this Lease.

### **ARTICLE 25.00 DEFAULT**

- 25.01 Events of Default. The following events are referred to collectively, as "Events of Default," or individually, as an Event of Default:"
  - (a) Lessee defaults in the due and punctual payment of Rent, and such default continues for five (5) days after notice from Lessor, provided however, Lessee will not be entitled to more than one (1) notice for monetary defaults during any twelve (12) month period;
  - (b) Lessee vacates or abandons the Premises;
  - (c) this Lease or the Premises or any part of the Premises are taken upon execution or by other process of law directed against Lessee, or are taken upon or subject to any attachment at the instance of any creditor or claimant against Lessee, and said attachment is not discharged or disposed of within fifteen (15) days after its levy;
  - (d) Lessee files a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act or any state, or admits the material allegations of any such petition by answer or otherwise, or is dissolved or makes an assignment for the benefit of creditors;
  - (e) involuntary proceedings under any such bankruptcy law or insolvency act or for the dissolution of Lessee are instituted against Lessee, or a receiver or trustee is appointed for all or substantially all of the property of Lessee, and such proceeding is not dismissed or such receivership or trusteeship vacated within sixty (60) days after such institution or appointment;
  - (f) Lessee fails to take possession of the Premises on the Commencement Date of the Term; or
  - (g) Lessee breaches any of the other agreements, terms, covenants or conditions which this Lease requires Lessee to perform, and such breach continues for a period of thirty (30) days after notice from Lessor to Lessee; or if such breach cannot be cured reasonably within such thirty (30) day period and Lessee fails to commence to cure such breach within thirty (30) days after notice from Lessor or fails to proceed diligently to cure such breach within a reasonable time period thereafter.
- 25.02 <u>Lessor's Remedies</u>. If any one or more Events of Default set forth in Section 25.01 occurs then Lessor has the right, at its election:
  - (a) to give Lessee written notice of Lessor's intention to terminate this Lease on the earliest date permitted by law or on any later date specified in such notice, in which case Lessee's right to possession of the Premises will cease and this Lease will be terminated, except as to Lessee's liability, as if the expiration of the term fixed in such notice were the end of the Term; or

- (b) without further demand or notice, to reenter and take possession of the Premises or any part of the Premises, repossess the same, expel Lessee and those claiming through or under Lessee, and remove effects of both or either, using such force for such purposes as may be necessary, without being liable for prosecution, without being deemed guilty of any manner of trespass, and without prejudice to any remedies for arrears of Monthly Rent or other amounts payable under this Lease or as a result of any preceding breach of covenants or conditions; or
- (c) without further demand or notice to cure any Event of Default and to charge Lessee for the cost of effecting such cure, including without limitation, attorneys' fees and interest on the amount so advanced at the rate set forth in Article 4.03, provided that Lessor will have no obligation to cure any such Event for Default of Lessee.

Should Lessor elect to reenter as provided in subsection (b), or should Lessor take possession pursuant to legal proceedings or pursuant to any notice provided by law, Lessor may, from time to time, without terminating this Lease, relet the Premises or any part of the Premises in Lessor's or Lessee's name, but for the account of Lessee, for such term or terms and conditions as Lessor, in its sole discretion, may determine and Lessor may collect and receive the rent. Lessor will in no way be responsible or liable for any failure to relet the Premises, or any part of the Premises, or for any failure to collect any rent due upon such reletting. No such reentry or taking possession of the Premises by Lessor will be construed as an election on Lessor's part to terminate this Lease unless a written notice of such intention is given to Lessee. No notice from Lessor under this section or under a forcible or unlawful entry and detainer statute or similar law will constitute an election by Lessor to terminate this Lease unless such notice specifically so states. Lessor reserves the right following any such reentry or reletting to exercise its right to terminate this Lease by giving Lessee such written notice, in which event this Lease will terminate as specified in such notice.

- 25.03 <u>Certain Damages</u>. In the event that Lessor does not elect to terminate this Lease but on the contrary, elects to take possession as provided above, Lessee will pay to Lessor: (i) Monthly Rent and other sums as provided in this Lease, which would be payable under this Lease if such repossession had not occurred, less; (ii) the net proceeds, if any, of any reletting of the Premises after deducting all of Lessor's reasonable expenses in connection with such reletting. If the new lease term extends beyond the existing Term, or the premises covered by such new lease, include other premises not part of the Premises, a fair apportionment of the rent received from such reletting and the expenses incurred in connection with such reletting will be made in determining the net proceeds from such reletting, and any rent concessions will be equally apportioned over the term of the new lease.
- 25.04 <u>Continuing Liability After Termination</u>. If this Lease is terminated on account of the occurrence of an Event of Default, Lessee will remain liable to Lessor for damages in an amount equal to Monthly Rent and other amounts which would have been owing by Lessee for the balance of the Term, had this Lease not been terminated, less the net proceeds, if any, of any reletting of the Premises by Lessor subsequent to such termination, after deducting all of Lessor's expenses in connection with such reletting. Lessor will be entitled to collect such damages from Lessee monthly on the day on which Monthly Rent and other amounts would have been payable under this Lease if this Lease had not been terminated.

### **ARTICLE 26.00 PARKING**

Lessee will be entitled to use the Parking Spaces during the Term subject to the rules and regulations set forth in Exhibit D, and any amendments or additions to them.

### **ARTICLE 27.00 MISCELLANEOUS**

- 27.01 No Offer. This Lease is submitted to Lessee on the understanding that it will not be considered an offer and will not bind Lessor in any way until Lessee has duly executed and delivered duplicate originals to Lessor and Lessor has executed and delivered one of such originals to Lessee. The Lease shall be of no force and effect unless executed by Lessor and delivered to Lessee within thirty days following execution by Lessee.
- 27.02 <u>Joint and Several Liability</u>. If Lessee is composed of more than one signatory to this Lease, each signatory will be jointly and severally liable with each other signatory for payment and performance according to this Lease. The act of, notice to, notice from, refund to, or signature of, any signatory to this Lease (including without limitation modifications of this Lease made by fewer than all such signatories) will bind every other signatory as though every signatory had so acted, or received or given notice or refund, or signed.
- 27.03 <u>Time of the Essence</u>. Time is of the essence of each and every provision of this Lease.
- 27.04 <u>No Recordation</u>. Lessee's recordation of this Lease or any memorandum or short form of it will be void and a default under this Lease if such recording sets forth in any manner the amount of Rent required to be paid by Lessee to Lessor hereunder.
- 27.05 No Waiver. The waiver by Lessor of any agreement, condition or provision contained in this Lease will not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition or provision contained in this Lease, nor will any custom or practice which may grow up between the parties in the administration of the terms of this Lease be construed to waive or to lessen the right of Lessor to insist upon the performance by Lessee in strict accordance with the terms of this Lease. The subsequent acceptance of Rent by Lessor will not be deemed to be a waiver of any preceding breach by Lessee of any agreement, condition or provision of this Lease, other than the failure of Lessee to pay the particular Rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such Rent.
- 27.06 <u>Limitation on Recourse</u>. Lessee specifically agrees to look solely to Lessor for the recovery of any judgments from Lessor. It is agreed that Lessor's shareholders, venturers, and partners, and their shareholders, venturers and partners and all of the officers, directors and employees will not be personally liable for any such judgments.
- 27.07 <u>Estoppel Certificates</u>. At any time and from time to time but within ten (10) days after prior written request by Lessor, Lessee will execute, acknowledge and deliver to Lessor, promptly upon request, a certificate certifying (a) that this Lease is unmodified and in full force and effect or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification, (b) the date, if any, to which Rent and other sums payable under this Lease

have been paid, (c) that no notice of any default has been delivered to Lessor which default has not been cured, except as to defaults specified in said certificate, and (d) such other matters as may be reasonably requested by Lessor. Any such certificate may be relied upon by a prospective purchaser or existing or prospective mortgagee or beneficiary under any deed of trust of the Building or any part of the Shopping Center. Unless there are written objections thereto, Lessee's failure to deliver such a certificate within such time will be conclusive evidence of the matters set forth in it.

- 27.08 No Merger. The voluntary or other surrender of this Lease by Lessee or the cancellation of this Lease by mutual agreement of Lessee and Lessor or the termination of this Lease on account of Lessee's default will not work a merger, and will, at Lessor's option, (a) terminate all or any subleases and subtenancies, or (b) operate as an assignment to Lessor of all or any subleases or subtenancies. Lessor's option under this Section 27.08 will be exercised by notice to Lessee and all known sublessees or subtenants in the Premises or any part of the Premises.
- 27.09 <u>Holding Over</u>. Lessee will have no right to remain in possession of all or any part of the Premises after the expiration of the Term. If Lessee remains in possession after the expiration of the Term, with the express or implied consent of Lessor: (a) such tenancy will be deemed to be a periodic tenancy from month-to-month only; (b) such tenancy will not constitute a renewal or extension of this Lease for any further term; and (c) such tenancy may be terminated by Lessor upon the earlier of thirty (30) days prior written notice or the earliest date permitted by law. In such event, Monthly Rent will be increased to an amount equal to one hundred fifty percent (150%) of the Monthly Rent payable during the last month of the Term, and any other sums due under this Lease will be payable in the amount and at the times specified in this Lease. Such month-to-month tenancy will be subject to every other term, condition, and covenant contained in this Lease.
- 27.10 <u>Notices</u>. Any notice, request, demand, consent, approval or other communication required or permitted under this Lease must be in writing and will be deemed to have been given when personally delivered or deposited in any depository regularly maintained by the United States Postal Service, postage prepaid, certified mail, return receipt requested, addressed to the party for whom it is intended at its address set forth in Article 1.00.
- 27.11 <u>Severability</u>. If any provision of this Lease proves to be illegal, invalid or unenforceable, the remainder of this Lease will not be affected by such finding, and in lieu of each provision of this Lease that is illegal, invalid or unenforceable, a provision will be added as a part of this Lease as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.
- 27.12 <u>Written Amendment Required</u>. No amendment, alteration, modification of or addition to the Lease will be valid or binding unless expressed in writing and signed by Lessor and Lessee. Lessee agrees to make any modification of the terms and provisions of this Lease required or requested by any lending institution providing financing for the Building, or Shopping Center, as the case may be, provided that no such modifications will materially adversely affect Lessee's rights and obligations under this Lease.
- 27.13 Entire Agreement. This Lease, the Exhibits and Addenda, if any, contain the entire agreement between Lessor and Lessee. No promises or representations, except as contained in this Lease, have been made to Lessee respecting the condition or the manner of operating the Premises, the Building, or

the Shopping Center.

- 27.14 <u>Captions</u>. The captions of the various Articles and Sections of this Lease are for convenience only and do not necessarily define, limit, describe or construe the contents of such Articles or Sections.
- 27.15 Notice of Lessor's Default. In the event of any alleged default in the obligation of Lessor under this Lease, Lessee will deliver to Lessor written notice listing the reasons for Lessor's default and Lessor will have thirty (30) days following receipt of such notice to cure such alleged default or, in the event the alleged default cannot reasonably be cured within a thirty (30) day period, to commence action and proceed diligently to cure such alleged default. A copy of such notice to Lessor will be sent to any holder of a mortgage or other encumbrance on the Building or Shopping Center of which Lessee has been notified in writing, and any such holder will also have the same time periods to cure such alleged default. No default or alleged default of Lessor under this Lease shall be a defense to the performance by Lessee of any of its obligations under this Lease, including, without limitation, Lessee's obligation to pay Rent.
- 27.16 <u>Authority</u>. Lessee and the party executing this Lease on behalf of Lessee represent to Lessor that such party is authorized to do so by requisite action of the board of directors, or partners as the case may be, and agree upon request to deliver to Lessor a resolution or similar document to that effect.
- 27.17 <u>Brokers</u>. Lessor and Lessee respectively represent and warrant to each other that neither of them has consulted or negotiated with any broker or finder with regard to the Premises except the Broker named in Article 1.00, if any, (the "Broker"). Each of them will indemnify the other against and hold the other harmless from any claims for fees or commissions from anyone with who either of them has consulted or negotiated with regard to the Premises except the Broker. Lessor will pay any fees or commissions due the Broker.
- 27.18 Governing Law. This Lease will be governed by and construed pursuant to the laws of the state of Nebraska.
- 27.19 <u>Force Majeure</u>. Lessor will have no liability to Lessee, nor will Lessee have any right to terminate this Lease or abate Rent or assert a claim of partial or total actual or constructive eviction because of Lessor's failure to perform any of its obligations in the Lease if the failure is due to reasons beyond Lessor's reasonable control, including without limitation, strikes or other labor difficulties, inability to obtain necessary governmental permits and approvals (including building permits or certificates of occupancy), unavailability or scarcity of materials, war, riot, civil insurrection, accidents, acts of God and governmental preemption in connection with a national emergency.
- 27.20 <u>Confidentiality</u>. Unless required by law, Lessor and Lessee agree that no party will, without the prior written consent of the other party, disclose to any other person or entity any terms, conditions or other facts relating to this Lease; provided that, the Lessor and/or Lessee may inform any of its directors, officers, employees, agents, independent contractors, accountants, attorneys, lenders, lien holders or financial advisors so long as said party needs to know and is informed of this confidentiality provision.

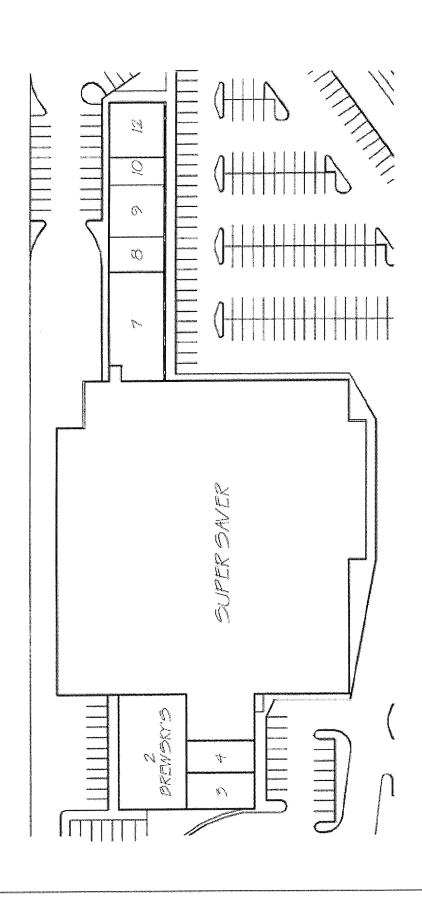
27.21 <u>Binding Effect</u>. The covenants, conditions and agreements contained in this Lease will bind and inure to the benefit of Lessor and Lessee and their respective heirs, distributees, executors, administrators, successors, and except as otherwise provided in this Lease, their assigns.

LESSOR: ENTERPRISE COMPANY, INC.

By S. Penise Musday	
Its: President	
LESSEE: City County Health Department	
By	
Its: <u>Mayor</u>	
STATE OF NEBRASKA ) SS  GENERAL NOTARY - State of Nebraska MARCUS J. SNOW	
COUNTY OF LANCASTER  ) SS  MARCUS J. SNOW My Comm. Exp. Aug. 16, 2013	
The foregoing instrument was acknowledged before me on	, 2010
by S. Wenise Mundoy, as Recedent for Enterprise C	ompany, Inc
STATE OF ) SS	
STATE OF	
The foregoing instrument was acknowledged before me on	, 2010
by, as	of
Notary Public	

# Exhibit A - The Premises

# GORNHUSKER GENTER 2662 CORNHUSKER HIGHWAY



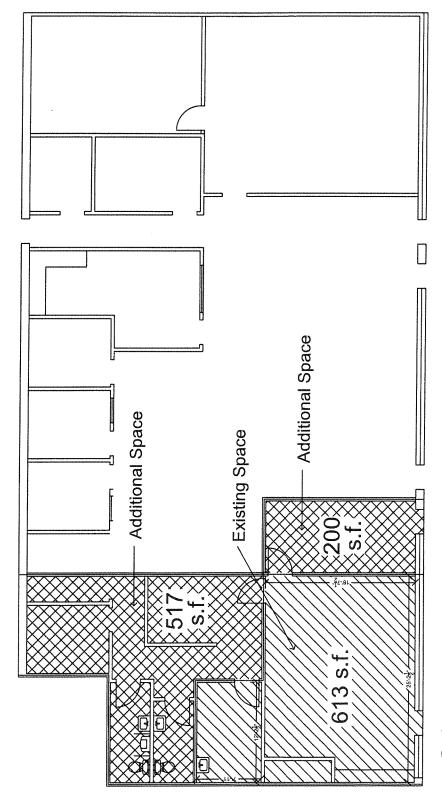
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# Exhibit B - Legal Description of the Land

THOMAS A STRATTON'S SUB, Lot 8, PART OF LOT 8 LYING SE OF SALT CREEK EXCEPT SID #1 & EX PART IN NE FOR ROAD & EX E17' FOR ROAD & THAT PART LOT 9 EX HWY & EX E17' & EX S PT & SE CORNER FOR ROAD (MORE PARTICULARLY DESCRIBED IN INST #8

# Exhibit C - Floor Plan

# CORNHUSKER CENTER 2662 CORNHUSKER HIGHWAY



Suite 7A 1,330 sq. ft.



### Exhibit D - Rules and Regulations

### CORNHUSKER SHOPPING CENTER

### 1. Lessee shall not:

- A. Place anything on the outside of the Shopping Center, including without limitation any roof setback, window ledge and other projection;
- B. Place trash or other debris in and around the Common Area;
- C. Keep animals or birds within the Premises, with the exception of service animal, unless expressly provided for in the Lease
- D. Use any part of the leased Premises as sleeping or lodging quarters;
- E. Obstruct the Shopping Center entrances, corridors, passages, stairways or use such space for any purpose other than ingress and egress to and from the Premises;
- F. Install any exterior lighting, outside aerials, or similar devises which may be seen outside the Premises;
- G. Disturb, or permit the disturbance of other lessees, by the use of radios, televisions, musical instruments or by any loud sound that may be disruptive to the quiet use and enjoyment of another lessee's premises;
- H. Cause any offensive odors to emanate or be dispelled from the Premises; and
- I. Canvass, solicit or distribute handbills or other advertising matter to, in or upon the Shopping Center

### 2. Without the prior, written permission of Lessor, Lessee shall not:

- A. Use the Common Area parking lot for the display or sale of any merchandise or service;
- B. Alter the heating, ventilating or cooling fixtures and equipment;
- C. Place or permit to be placed any signs, advertisements or notices in or upon any part of the Shopping Center;
- D. Place merchandise or showcases in front of the building
- E. Conduct any auction, fire, going out of business, or bankruptcy sale within the Premises;
- F. Store equipment, furnishings, fixtures or merchandise on the Common Areas;
- G. Install and/or maintain ATM/s in the interior or on or around the exterior of the Premises;
- H. Except as may be strictly permitted by the Lessee's lease and by law, manufacture any commodity, or prepare or dispense any foods or beverages, whether by vending, dispensing machines or otherwise, or sale any alcoholic beverages, tobacco, drugs, or other commodities or articles:
- I. Fasten any article, drill holes, drive nails or screws into the exterior walls, woodwork or partitions, nor shall the same be painted, papered or otherwise covered or in any way marked or broken:
- J. Step, or place any item, on the roof of the Building; and
- K. Place or operate any engine, boiler, dynamo, or machinery of any kind, or place any explosive therein, or use any kerosene or oils or burning fuels.

### 3. Lessor reserves the right, at all times to:

- A. Remove without notice, at the expense of Lessee, all signs or showcases not approved or allowed by Lessor or Lessee's lease, and Lessor shall not be responsible for damages, if any, caused to any of the signs or showcases so removed;
- B. Designate the location for all telephone and cable connections to be placed in the Premises, and direct electricians as to where and how wires are to be introduced;
- C. Exclude or eject from the Shopping Center all animals, trespassers, canvassers and other persons who conduct themselves in such a manner to be, in the judgment of Lessor or a detriment to the economic vitality of the Shopping Center; and
- D. Prohibit any advertising by Lessee using the name of the Shopping Center, which in the opinion of Lessor impairs the reputation of the Shopping Center or its desirability to lease space within the Shopping Center for offices or retail purposes.
- 4. In the event of any conflict between the terms of these Rules and Regulations and the provisions of the Lease, the applicable provisions of the Lease shall control.
- 5. Lessor reserves the right, without the approval of Lessee, to add new Rules and Regulations, and to waive, rescind, and amend any Rules or Regulations with respect to any lessee(s), as Lessor in its judgment may find from time to time be necessary for the safety, care and cleanliness of the Shopping Center. The amendment or waiver by Lessor of any Rules or Regulation for the benefit of any particular lessee of the Shopping Center shall not be construed as a waiver of such Rules and Regulations in favor of this Lessee or any other lessee, nor prevent Landlord form thereafter enforcing any such Rules and Regulations against any or all of the lessees in the Shopping Center.

## Exhibit E - Lessor's Improvements

# For the 200 sq. ft. reception area:

- 1. Remove existing door with frame.
- 2. Install sliding window in south office wall.
- 3. Install salvaged door and frame.
- 4. Rebuild north and west walls.
- 5. Finish dry wall to paint grade and prime.
- 6. Replace vinyl base as needed on new walls.
- 7. Fix carpet squares after door is installed.
- 8. Paint the walls.

# Exhibit G - Exclusive Uses

- Retail food store of any nature.
   Restaurant and lounge or sports bar.
   Financial services or ATM
- 4. Wireless phones and wireless communication services.

# Exhibit F – Guarantees

# INTENTIONALLY DELETED

### Exhibit H – Sign Policy

- 1. Sign can not exceed 70% of the width of the store front and subject to Lessor's approval.
- 2. Maximum signage height can not exceed 4' but needs to proportionate to the total width of the signage and subject to Lessor's approval.
- 3. Sign must be Illuminated channel letters installed on a raceway.
- 4. Raceway needs to match fascia color.
- 5. Raceway minimum of 8" in height subject to Lessor's approval.
- 6. Lessee is responsible for any to power for signage including any adjustments of power.
- 7. Lessee understands that the sign is their property and are responsible for any repairs to the building including the fascia after removal of the sign.
- 8. All signage must comply with City Code requirement.
- 9. All signage is subject to Lessor's approval.